

Message Text

CONFIDENTIAL

PAGE 01 STATE 078011
ORIGIN EUR-12

INFO OCT-01 ISO-00 PM-04 NSC-05 SP-02 SS-15 L-03
CIAE-00 INR-07 SIG-01 ACDA-07 MC-02 OMB-01 TRSE-00
EB-08 /068 R

DRAFTED BY OASD/ISA:DEMAJORS:VSS
APPROVED BY EUR:REBARBOUR
EUR/SE:JHMORTON
EUR/SE:RCEWING
PM/ISO:RWMASSON
L/PM:SAORLINS

-----080130Z 112851 /15

P 072002Z APR 77
FM SECSTATE WASHDC
TO AMEMBASSY ATHENS PRIORITY
INFO AMEMBASSY ANKARA PRIORITY
USMISSION NATO PRIORITY
SECDEF PRIORITY
USNMR SHAPE PRIORITY
USDELMC PRIORITY
USCINCEUR PRIORITY
CINCUSAFE PRIORITY
CINCUSNAVEUR PRIORITY
CINCUSAREUR PRIORITY
DIRNSA PRIORITY
USDOCOSOUTH PRIORITY

C O N F I D E N T I A L STATE 078011

E.O. 11652:GDS

TAGS: MARR, MASS, PFOR, GR, US

SUBJECT: US-GREEK NEGOTIATIONS - PARITY IN PROCUREMENT

REF: (A) STATE 87688 (121536Z APR 76), (B) ATHENS 9408
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 STATE 078011

(071426Z SEP 76)

1. THE FOLLOWING POSITIONS AND INSTRUCTIONS ON THIS SUBJECT ARE FOR USE BY THE US DELEGATION WHEN NEGOTIATIONS RESUME.

2. REF A CONTAINS REVISED (7 APR 1976) SUPPLEMENTAL NOTE

TO US-TURKISH DCA WHICH SPECIFIES SUPPLEMENTARY ELEMENTS OF US ASSISTANCE. UNDER TERMS OF THIS NOTE, US WILL:

A. OFFER TO SELL FROM DOD STOCKS 12 F-100F'S, 20 T-37'S, 36 UH-1B'S, 36 UH-1H'S, 3 DESTROYERS, 2 SUBMARINES, AND ONE SUBMARINE RESCUE SHIP; B. EXPLORE POSSIBILITY OF PROVIDING A "MODERN NAVAL VESSEL" FOR SALE FROM DOD STOCKS; C. OFFER TO SELL F-4 AIRCRAFT FROM NEW PROCUREMENT; D. PROVIDE TURKEY WITH ACCESS TO THE US DEFENSE SATELLITE COMMUNICATIONS SYSTEM WITHOUT COST; AND E. CONSULT REGARDING IMPROVEMENT OF TURKISH DEFENSE COMMUNICATIONS SYSTEM. ALL ITEMS IN A AND B ARE TO BE DELIVERED AS "EXPEDITIOUSLY AS PRACTICABLE". DELIVERY TIMES FOR F-4 AIRCRAFT ARE SPECIFICALLY STATED. (FYI: ADDEES WILL

RECALL THAT TURKS INSISTED ON THIS SUPPLEMENTARY NOTE AND DELIVERIES FROM DOD STOCKS TO PROVIDE FOR EARLY RECEIPT OF EQUIPMENT AS COMPENSATION FOR LACK OF DELIVERIES DURING EMBARGO PERIOD. END FYI.)

3. FOR THE PURPOSE OF "SIMILARITY", THE GREEKS ALSO WANT A SUPPLEMENTAL NOTE PATTERNED AFTER THE US-TURKISH MODEL. REF B CONTAINS THE GREEK DRAFT ALONG WITH A PRIORITIZED LIST OF DEFENSE ARTICLES AS A BASIS FOR NEGOTIATIONS. GREEK NEGOTIATORS HAVE STATED THAT THEY WILL NOT INSIST ON SPECIFIC DELIVERY DATES FOR ANY ITEMS OF EQUIPMENT.

4. THE US DRAFT SUPPLEMENTARY NOTE QUOTED BELOW MAY BE PRESENTED TO THE GREEKS WHEN NEGOTIATIONS RESUME. CONSISTENT WITH WHAT DOD CAN REALISTICALLY PROVIDE FROM CONFIDENTIAL

CONFIDENTIAL

PAGE 03 STATE 078011

ITS INVENTORY, AN EFFORT WAS MADE TO ACHIEVE A PRESENTATIONAL BALANCE WITH THE US-TURKISH NOTE. FOR EXAMPLE, QUANTITIES OF AMMUNITION WERE INCLUDED IN THE "FROM DOD STOCKS" CATEGORY TO OFFSET THE GREATER AMOUNT OF EQUIPMENT INCLUDED UNDER THIS CATEGORY IN THE TURKISH NOTE. ALSO, NUMBERS OF AIRCRAFT WERE SPECIFIED IN THE "FROM NEW PROCUREMENT CATEGORY" TO BRING THE TOTAL NUMBER OF AIRCRAFT CLOSER TO PARITY WITH THE TOTAL NUMBER IN THE US-TURKISH NOTE.

BEGIN QUOTE. EXCELLENCY, I HAVE THE HONOR TO REFER TO THE DEFENSE COOPERATION AGREEMENT, SIGNED (), 1977, BY THE GOVERNMENT OF THE HELLENIC REPUBLIC AND THE GOVERNMENT OF THE UNITED STATES OF AMERICA, AND TO CONFIRM THAT DURING THE FIRST FOUR YEARS THE AFORESAID AGREEMENT IS IN FORCE, THE UNITED STATES GOVERNMENT IS PREPARED TO DO THE FOLLOWING:

(1) THE UNITED STATES GOVERNMENT WILL OFFER FOR SALE TO

THE GOVERNMENT OF THE HELLENIC REPUBLIC, AT THE LOWEST PRICES CONSISTENT WITH APPLICABLE UNITED STATES LAW, THE FOLLOWING MATERIAL FROM AVAILABLE STOCKS OF THE UNITED STATES DEPARTMENT OF DEFENSE: 5 P-3A AIRCRAFT; 1 GEARING CLASS DESTROYER; 2 ASHEVILLE CLASS GUNBOATS; 2 LST TERREBONNE PARISH; AMMUNITION, 3"/50 CTC 8SFVT, 4000; AND AMMUNITION, 5"/38 PROJ VT, 1000. DELIVERY OF THE ABOVE-DESCRIBED ARTICLES WILL BE EFFECTED AS EXPEDITIOUSLY AS PRACTICABLE.

(2) THE UNITED STATES GOVERNMENT WILL ALSO OFFER FOR SALE TO THE HELLENIC REPUBLIC, AT A FAVORABLE PRICE CONSISTENT WITH APPLICABLE US LAW, 20 F-4E AIRCRAFT, 6 RF-4E AIRCRAFT, 8 T-37 AIRCRAFT AND 35 UH-1H HELICOPTERS FROM

NEW PROCUREMENT. THE UNITED STATES GOVERNMENT WILL ALSO EXPEDITE THE NEW PROCUREMENT OF 40 M.109A1B 155 MM HOWIT-
CONFIDENTIAL

CONFIDENTIAL

PAGE 04 STATE 078011

ZERS WITH A VIEW TOWARD DELIVERY BEGINNING DURING THE FIRST QUARTER OF FY 1978.

IT IS UNDERSTOOD THAT THE ABOVE-MENTIONED UNDERTAKINGS OF MY GOVERNMENT ARE TO BE CARRIED OUT WITH THE PURPOSES SET FORTH IN THE FIRST PARAGRAPH OF ARTICLE XIV OF THE AFORESAID DEFENSE COOPERATION AGREEMENT, ARE NOT EXCLUSIVE OF ADDITIONAL ARRANGEMENTS WHICH MAY BE MADE BY THE PARTIES PURSUANT TO THAT ARTICLE, AND ARE TO BE CARRIED OUT IN ACCORDANCE WITH, AND SUBJECT TO, THE PROVISIONS OF THAT AGREEMENT AND WITH CONTRACTUAL OBLIGATIONS AND THE GENERAL PRACTICES APPLICABLE TO ALL OTHER RECIPIENT COUNTRIES. IF THE FOREGOING IS ACCEPTABLE TO THE GOVERNMENT OF THE HELLENIC REPUBLIC, I HAVE THE HONOR TO PROPOSE THAT THIS NOTE, TOGETHER WITH YOUR EXCELLENCY'S NOTE IN REPLY INDICATING SUCH AGREEMENT, SHALL CONSTITUTE AN AGREEMENT BETWEEN OUR TWO GOVERNMENTS AND SHALL ENTER AND REMAIN IN FORCE CONCURRENTLY WITH THE AFORESAID DEFENSE COOPERATION AGREEMENT. END QUOTE.

5. 500 AGM-65A MAVERICK MISSILES INCLUDED IN THE GREEK LIST (REF B) MIGHT ALSO BE MADE AVAILABLE FOR SALE FROM DOD STOCKS PROVIDED PRODUCTION REPLACEMENT CAN BE PROGRAMMED. PRODUCTION REPLACEMENT IS DEPENDENT UPON ONGOING NEGOTIATIONS BEING CONDUCTED WITH THE CONTRACTOR. AT THE PRESENT TIME, PRODUCTION REPLACEMENT APPEARS DOUBTFUL.

6. AS YOU ARE AWARE, ABOUT 15 OF THE 62 DEFENSE ARTICLES LISTED BY THE GREEKS IN REF B ARE CURRENTLY BEING OR HAVE BEEN PROCESSED AS MAP GRANT OR FMS CASES. ALL ARE FROM NEW PROCUREMENT AND INCLUDE: F-4E AND RF-4E AIRCRAFT;

UH-1H HELICOPTERS; M48A5 TANK CONVERSION KITS; LASER
GUIDED BOMB KITS; 155 MM SELF-PROPELLED HOWITZER M.109A1B;
ECCM INTERFERENCE SG-886T/UR; ASROC MISSILES; ANTI-SUB-
MARINE TORPEDOES MK 37; ANTISUBMARINE TORPEDOES MK 46;
AMMUNITION 3"/50; AMMUNITION 5"/38; AND COMMUNICATIONS
CONFIDENTIAL

CONFIDENTIAL

PAGE 05 STATE 078011

EQUIPMENT (MRC 108, PRC 74C, AND PRC 77). NOTE THAT
ITEMS IN THE "FROM NEW PROCUREMENT" CATEGORY STATED IN THE
US DRAFT NOTE WERE DRAWN FROM THIS LIST. ALSO, SALE OF
1 DESTROYER AND 2 LSTS IN "FROM DOD STOCKS" CATEGORY
HAVE ALREADY BEEN APPROVED BY CONGRESS AND LETTERS OF
OFFERS ARE BEING PROCESSED.

7. YOU SHOULD MAKE AN EFFORT TO EXCLUDE ANY REFERENCE TO
"EXPLORE THE POSSIBILITY OF PROVIDING A MODERN NAVAL
VESSEL AT LOWEST PRICE CONSISTENT WITH APPLICABLE US LAW",

A PROVISION WHICH IS NOW INCLUDED IN THE US-TURKISH NOTE.
POINT OUT THAT THE TEXT IN THE TURKISH NOTE DOES NOT CON-
STITUTE A US COMMITMENT TO ACTUALLY PROVIDE SUCH A VESSEL
AND WAS INCLUDED ONLY FOR PRESENTATIONAL PURPOSES. MAKE
IT CLEAR THAT NO SUCH VESSELS ARE AVAILABLE NOW, FOR
EITHER TURKEY OR GREECE, AND NONE CAN BE EXPECTED TO BE-
COME AVAILABLE IN THE FORESEEABLE FUTURE. HOWEVER, IF THE
GREEKS ARE ADAMANT ON THIS POINT, WE WILL BE OBLIGED TO
AGREE TO INCLUDE THE SAME PROVISION IN THE NOTES WE
EXCHANGE WITH THEM IF FOR NO OTHER REASON THAN TO HONOR
OUR COMMITMENT FOR "SIMILARITY" CONTAINED IN THE PRINCIPLES
AGREED ON 15 APRIL 1976.

8. THE GREEKS HAVE STATED INFORMALLY THAT, UNLIKE TURKEY,
THEY HAVE LITTLE NEED FOR OR INTEREST IN EXPANDING THEIR
MILITARY COMMUNICATIONS SYSTEM THROUGH ACCESS TO THE US
DEFENSE SATELLITE COMMUNICATIONS SYSTEM. HOWEVER, THEY
MIGHT WANT A PROVISION RELATING TO THIS SYSTEM FOR NO
OTHER REASON THAN SIMILARITY WITH THE US-TURKISH NOTE.
YOU SHOULD MAKE EVERY EFFORT TO CONVINCE THE GREEKS TO
OMIT ANY REFERENCE TO THE US DSCS. IF THEY INSIST,
HOWEVER, YOU MAY AGREE TO INCLUDING THE SAME LANGUAGE NOW
INCLUDED IN THE US-TURKISH NOTE WITH THE CLEAR UNDERSTAND-
ING THAT (A) ANY POSSIBLE FUTURE GREEK ACCESS TO THE DSCS
INCLUDING GROUND TERMINAL AND RELATED EQUIPMENT WOULD BE
CONFIDENTIAL

CONFIDENTIAL

PAGE 06 STATE 078011

STRICTLY LIMITED TO MILITARY PURPOSES AND COULD NOT BE

USED FOR COMMERCIAL COMMUNICATIONS AND (B) THIS DOES NOT
INCLUDE PROVISION OF COMMUNICATIONS FACILITIES OR EQUIP-
MENT AT US EXPENSE.

9. IF THE GREEKS INSIST, YOU MAY ALSO AGREE TO INSERTING
THE SAME LANGUAGE AS IN THE US-TURKISH NOTE RELATING TO
CONSULTATIONS TO IMPROVE THE GREEK DEFENSE COMMUNICATIONS
SYSTEM. BEFORE DOING SO, REVIEW SEPTTEL WHICH CONTAINS
INSTRUCTIONS TO RELATE THE NEA MAKRI AND GREEK DCS ISSUES
TO THIS US DRAFT NOTE.
VANCE

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: MILITARY PROCUREMENT, MILITARY BASE AGREEMENTS, NEGOTIATIONS
Control Number: n/a
Copy: SINGLE
Sent Date: 07-Apr-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977STATE078011
Document Source: CORE
Document Unique ID: 00
Drafter: DEMAJORS:VSS
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
Film Number: D770122-0427
Format: TEL
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770476/aaaacomw.tel
Line Count: 235
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 0f1849a8-c288-dd11-92da-001cc4696bcc
Office: ORIGIN EUR
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 5
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 77 STATE 87688, 77 ATHENS 9408
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 21-Mar-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2864140
Secure: OPEN
Status: NATIVE
Subject: US-GREEK NEGOTIATIONS - PARITY IN PROCUREMENT
TAGS: MARR, MASS, PFOR, GR, US
To: ATHENS
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/0f1849a8-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009